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Government
Publications

Motor Fuels and Tobacco Tax Branch

Gasoline Tax Refund Rulings

I REFUND ALLOWANCES ON GASOLINE USED IN "POWER TAKE-OFF" OPERATIONS

Background:

Clause 7(2)(b) of the Regulation to the Gasoline Tax Act makes provision for a tax refund on gasoline used in Ontario to operate auxiliary equipment of motor vehicles.

Ruling:

When an auxiliary unit is operated via "Power Take-Off" (P.T.O.) arrangement from the transmission of the vehicle or by its own engine and uses fuel from the vehicle's supply tank, it is not possible to measure the refundable fuel accurately without a metering device. As a result, approved allowances based on the equipment manufacturer's fuel consumption specifications will be established for the purpose of claiming tax refunds.

Refund claims must comply with the Act's time limits for filing (three years from the date of tax payment) and be accompanied by supporting invoices. Claimants must also submit a worksheet prepared from their records in support, and retain such records for five years for audit purposes.

The attached sheets provide established refund allowances for the operation of various auxiliary equipment. However, claimants may apply to the Motor Fuels and Tobacco Tax Branch for an allowance not already established, or for a review of an existing one. Requests must be made in writing and should describe the unit and its operation. The manufacturer's specifications showing the fuel consumption of the unit while operating under P.T.O. conditions, should also be provided.

Claims will not be paid until a P.T.O. allowance has been given prior approval by the Branch.



Ontario

Ministry
of
Revenue

Robert F. Nixon
Minister
T.M. Russell
Deputy Minister



“POWER TAKE-OFF” REFUND ALLOWANCES

OPERATION PERFORMED	GASOLINE ALLOWANCE	RECORDS REQUIRED
1. Pumping		1 gallon = 4.546 litres 35.314 cubic feet = 1 cubic metre (m³)
a. petroleum products – gasoline, propane, fuel oil, bunker, primer	1 litre per 1,000 litres pumped	actual litres pumped per truck per month
b. petro-chemicals – acetates, benzene, benzol, carbitols, cellosolves, ethylenes, glycols, hexanes, isopropyls, methanes, naphthas, phenols, propyls, solvents, toluol, xylol	1 litre per 1,000 litres pumped	actual litres pumped per truck per month
c. waste products – oil, sludge, septic and holding tanks	1 litre per 1,000 litres pumped	actual litres pumped per truck per month
d. light products – alcohol, lard, peanut oil, soap stock, soya oil, tallow	1 litre per 1,000 litres pumped	actual litres or kg pumped per truck per month (0.8 kg = 1 litre)
e. heavy products – glycerine, milk, molasses, resins, tar, syrup	1 litre per 1,000 litres pumped	actual litres or kg pumped per truck per month (1.0 kg = 1 litre)
f. cryogenic products – argon, nitrogen, oxygen	2.1 litres per 1,000 cubic metres (m ³) pumped	actual cubic metres (m ³) pumped per truck per month
g. gaseous products – argon, nitrogen, oxygen	3.0 litres per 100 cubic metres (m ³) pumped	actual cubic metres (m ³) pumped per truck per month
2. Preparation & Delivery of Ready-Mix Concrete		1.308 cubic yards = 1 cubic metre (m³)
a. revolving drum, batcher, dial-a-mix	1.2 litres per 1 cubic metre (m ³) delivered	actual cubic metres (m ³) delivered per truck per month
b. Jaeger Hydra-Crete Pump	0.9 litre per 1 cubic metre (m ³) pumped	actual cubic metres (m ³) delivered per truck per month
3. Unloading by Auger or Blowing Off		
a. dry cement, chemical, hydrated lime, grade 30 limestone, grade A limestone	0.6 litre per 1 tonne (metric) blown-off	actual tonnes (metric) blown-off per truck per month
b. feed, grain, sand, di-calcium phosphate, crushed lime, crushed quick lime, unhydrated lime, No. 1 shell lime-stone	1.1 litres per 1 tonne (metric) blown-off	actual tonnes (metric) blown-off per truck per month
c. insulation	19.7 litres per 1 tonne (metric) blown-off	actual tonnes (metric) blown-off per truck per month
4. Grinding Grain		
mobile feed mill unit	6.0 litres per 1 tonne (metric) – mixed produced	actual tonnes (metric) produced per truck per month 2.205 lbs. = 1 kilogram 1,000 kg = 1 tonne (metric)

“POWER TAKE-OFF” REFUND ALLOWANCES

OPERATION PERFORMED	GASOLINE ALLOWANCE	RECORDS REQUIRED
5. Equipment Operated Via “Power Take-Off” (P.T.O.)		
a. garbage packers (other than roll-off types)	9% of total fuel consumption	actual fuel consumption records per truck
b. cranes – loading & unloading gypsum wall-board	1.2 litres per 100 square metres loaded & unloaded	actual square metres loaded & unloaded per truck 10.76 square feet = 1 square metre
c. cranes – loading & unloading truck cargo	7.4 litres per hour of crane operation	actual hours of crane operation
d. auto transport-power ramp – loading – unloading	0.6 litre per vehicle 0.4 litre per vehicle	listing of vehicles loaded and unloaded
e. rug cleaning – Steam Valet 300 – Cleanco Unit – Flowmatic Unit	5.6 litres per hour of operation 7.0 litres per hour of operation 8.0 litres per hour of operation	hours of operation as per hour meter hours of operation as per hour meter hours of operation as per hour meter
f. hydro utilities – Post Hole Driller/Hoist (giraffe type)	total fuel issues less 1 litre per 1.8 kilometres travelled by vehicle	actual fuel issues per truck actual kilometres travelled
g. mobile wash – 1 Man Unit – 2 Man Unit	5.2 litres per hour of operation 7.4 litres per hour of operation	hours of operations hours of operations
h. reefer units Thermo-King – TND – XMT – XMD – XRW/TWR – MD-1 – KD-1 – RD-1 – NWD-50 without fuel saver – NWD-30 without fuel saver – NWD-50 with fuel saver – NWD-30 with fuel saver	2.1 litres per hour of operation 2.7 litres per hour of operation 1.6 litres per hour of operation 4.0 litres per hour of operation 1.2 litres per hour of operation 1.3 litres per hour of operation 2.2 litres per hour of operation 3.6 litres per hour of operation 3.6 litres per hour of operation 2.3 litres per hour of operation 2.3 litres per hour of operation	hours of operations as per hour meter
Carrier – NDS-40 without varipower – NDB-40 without varipower – NDS-40 with varipower – NDB-40 with varipower	2.3 litres per hour of operation 2.3 litres per hour of operation 1.8 litres per hour of operation 1.8 litres per hour of operation	

